

Citizens Advisory Committee on Pipeline Safety
Meeting Minutes Summary
Location: WUTC - Olympia, WA
November 13, 2002

Present

Chuck Mosher, Chair
Don Evans
Duane Henderson
Grant Jensen
Les Olson
Haywood Johnson
Shirley Olson
Patricia Bahor
Ken Thomas
George Hills
Richard Kuprewicz

Absent

Shelia Helgath

Agenda:

1. Welcome and Introduction of New Committee Members
2. Adoption of September 11, 2002 Meeting Minutes
3. Discuss Sending a Committee Representative to the WUCC Quarterly Meeting
4. Current Committee Bylaws
5. OPS Integrity Management Inspections and Funding
6. 2003 Committee Workplan
7. American Petroleum Institute (API) Draft Recommended Practices 1162
8. Washington Utilities and Transportation Commission Update
9. Field/Site Visits for 2003
10. Location and Date of Next Meeting

1. **Welcome and Introduction of New Committee Members** – Chairman Chuck Mosher welcomed everyone to the meeting of the State of Washington Citizens Committee on Pipeline Safety. Since the last meeting in September, new Committee members had been appointed. The Chairman asked everyone, including the current Committee members to introduce themselves.

Haywood Johnson Retired. Council member for the City of Zillah. Former Williams Gas Pipeline Employee

Shirley Olson	Retired. Formerly lived in Tumwater and dealt with a pipeline easement through her property. Now lives in Graham and has learned that a pipeline will be going through her neighborhood.
Patricia Babor	Environmental engineer now attending Seattle University Law school. Lives in Bellevue.
Ken Thomas	Retired from the City of Bellingham. Helped in the clean-up/aftermath of the Bellingham incident.
George Hills	Chief Engineer with McChord Pipeline Company.
Richard Kuprewicz	Consultant. Almost thirty years in energy industry, with particular focus on pipeline safety.

2. **Adoption of September 11, 2002 Meeting Minutes** – The Committee voted to approve the meeting minutes from the September 11th meeting with the following modifications of the draft minutes:

- a) Change the spelling of Lester Olson's last name from Olsen to Olson.
- b) Section 7 – Change the word “don't” to “doesn't” in the sentence that begins, “They have found that a need.....”.
- c) Section 8 – Change the word “hosted” to “hosting” in the sentence that begins, Victoria hoped that the workshops.....”.

3. **Discuss Sending a Committee Representative to the WUCC Quarterly Meeting** – In a letter to Chairman Mosher dated October 2, 2002 from the Washington Utilities Coordinating Council (WUCC) Chuck or a representative from the Committee have been invited to speak at the December 12th quarterly meeting of the WUCC in Spokane. Chuck informed the Committee that he would not be able to attend because of a prior engagement and asked if another member of the Committee would be willing to speak at the meeting. Haywood Johnson volunteered to attend the quarterly meeting of the WUCC and speak on behalf of the Committee.

4. **Current Committee Bylaws** – Doug Kilpatrick, Pipeline Safety Director for the WUTC, mentioned some key points that the Committee might want to re-visit within the bylaws, considering there are new Committee members. Those points were:
- a) The meeting schedule (Currently the 2nd Wednesday)
 - b) Meeting frequency (Currently 10 times a year)
 - c) Subcommittees

The concept of meeting every-other-month and then having some type of subcommittee communication in between regular meetings was suggested. The Committee members decided to hold regularly schedule meetings on the 3rd Tuesday of the month. The frequency of the meetings was not decided.

The current subcommittees are: a) Damage Prevention subcommittee (Chair-Don Evans, Members-Duane Henderson and Rick Kuprewicz, b) Governmental Input & Monitoring (Chair-Chuck Mosher, Members Grant Jensen and George Hills – Rick Kuprewicz also

expressed a strong interest in this subcommittee), c) Pipeline Safety Public Awareness Subcommittee (Chair-Les Olson, Shirley Olson). The Committee decided to keep the current subcommittees. Chairman Mosher asked the WUTC staff to get out an e-mail to the Committee on the descriptions of the subcommittees in order for the new members to decide which subcommittee they would like to join.

Doug also wanted to remind Committee members that most of the communication between Committee members and WUTC staff is done by e-mail. Doug mentioned that if a member has difficulty in opening a file to contact either Doug or Lindsay Walker and they will send the documents through the mail or by fax.

5. **OPS Integrity Management Inspections and Funding** – Doug distributed a handout that contained excerpts from the General Accounting Office (GAO) report on Integrity Management. Doug noted that the report explained very well just what integrity management is (see explanation on page 6). The current integrity management rule is only for hazardous liquids pipelines and before the end of the year the rule will go into effect for natural gas pipelines. Phase one of Integrity management (or I.M.) requires pipeline companies to conduct self-assessments of sections of their pipelines that could be in high consequence areas (HCA's) by November 18, 2002. HCA's are high population areas, environmentally sensitive areas or waterway/aquifers. Phase two of I.M. is for the pipeline companies to do risk assessments of these segments of pipelines that are in high consequence areas. The GAO report indicates the Office of Pipeline Safety's (OPS) inspection approach is one that requires the companies to develop their own program for I.M. OPS will be training their own staff on how to inspect the pipeline companies. OPS will be relying heavily on the state inspectors to complete the very ambitious I.M. inspection program. State inspectors will need to conduct these I.M. inspections out of state, normally at the pipeline company's headquarters in conjunction with other states that regulate the company and OPS. Doug noted how there are some limitations from OPS on the out of state travel for the state inspectors. OPS believes that they lack authority to fund the individual states travel to the I.M. inspections. The WUTC doesn't foresee a problem in sending their inspectors to the I.M. inspections, but are concerned that other states will not be able to participate because of lack of their state funds. The National Association of Pipeline Safety Representatives (NAPSR) met in September in St. Louis Missouri and discussed the issue of OPS not funding state travel for I.M. inspections. NAPSR brought to the floor a resolution that states that OPS needs to "fix" this legal glitch. The resolution has gone to a national vote of all NAPSR members. Doug told the Committee that he would follow up to find out the status of the resolution vote. The Committee proposed to write a letter to Congress urging them to follow up with changing the OPS law on the ability for them to fund state travel. Committee member Don Evans also suggested the creation of a bullet sheet for the Committee's use. This document would be an informational reference tool for the Committee to use on the I.M. inspection travel issue. WUTC will help the Committee to draft a letter that will be circulated to the members for comment.

6. **2003 Committee Workplan Discussion** –

WUTC Areas of Focus for 2003 - First, Doug Kilpatrick overviewed the areas of focus for the WUTC during 2003.

- a) One area of focus would be the development of the WUTC's intrastate and interstate inspection plan.
- b) The public education request for proposals administration and the tracking of those projects is another focus area for the WUTC pipeline safety division.
- c) The 2001 legislative mandate that provided an on-going funding source for the WUTC's pipeline safety work also included a report by the Joint Legislative and Review Committee (JLARC) of the WUTC program. The JLARC Audit of the WUTC Pipeline Safety Program is underway and will continue into 2003, with the JLARC report due by June 30, 2003.
- d) The final area of focus Doug mentioned to the Committee is the WUTC contract with GeoNorth, LLP. GeoNorth is a consulting firm that will help the WUTC establish the needs of identified stakeholder groups in Washington State. The purpose of the contract is to aid the WUTC in establishing a strategic direction for its fledgling GIS program and assure the WUTC is meeting the intent of RCW 81.88.080. GeoNorth is expected to deliver a final report on its work to the WUTC in early 2003.

Proposed Committee Workplan - WUTC staff created a draft proposed 2003 Committee workplan in order to get the Committee thinking of some ideas of projects for the coming year. The following were the 2003 workplan decisions of the Committee:

- Participate in the WUTC natural gas rulemaking (UG-011073) and provide written comment on matters of interest.
- Committee members would like to understand how interstate and intrastate pipelines are sited. Possibly creating a citizens' informational handbook on pipeline siting including descriptions of where and how interested persons can participate in the siting process.
- Review and comment on draft public education materials developed by the contractors (that are chosen from the RFP's) before these are finalized. Staff would work with the contractors to ensure that committee suggestions are appropriately reflected in final products.
- Committee members would like to be informed by WUTC staff of important federal regulations pertaining to pipeline safety. The Committee could then provide input to the Office of Pipeline Safety (OPS) through comments to proposed rules or any other pipeline safety legislation at the federal level.

7. Discussion of American Petroleum Institute (API) Draft Recommended Practices

1162 – Prior to the meeting, Committee members were given a copy of the draft API Recommended Practices 1162 pertaining to public awareness guidelines for pipeline companies. Tim Sweeney, WUTC Public Affairs, asked the Committee if they would be interested in making comments to API on the draft by November 22nd. The Committee decided they would like to submit comments with the following points:

- Should be written clearly so that operators can easily understand the minimum requirements.
- The role of franchise agreement in pipeline operation and placement.
- The operator's efforts to maintain the safety and integrity of the system.

- Message needs to be clarified in regards to pipeline maintenance activity. This section refers to "major" projects without defining what constitutes major.
- Detailed comments regarding Table 7-1 Summary of Public Awareness Communications
 - Minimum frequency for delivery to all publics should be one year. Residential communities can “turn-over” quickly.
 - Include information about franchise agreement in message for residential and general public.
 - Guidance needed for high-consequence areas.

WUTC staff will help draft the comment letter and will send it by e-mail to the Committee members for review.

8. **Washington Utilities and Transportation Commission (WUTC) Update** – Doug Kilpatrick, WUTC Pipeline Safety Director, was scheduled to speak to the Committee about the GAO Report (refer to section 5), the JLARC Audit (refer to section 6, WUTC areas of focus) within his update, but these topics were covered within the other areas of the meeting, as noted above.

The pipeline safety public awareness request for proposals was also discussed in section 6, and Doug elaborated on the status of the proposals. He said that there are currently six bidders that are being interviewed and final decisions on the proposals will be made by Friday, November 22nd to the WUTC website (www.wutc.wa.gov/pipeline). \$250,000 has been set aside to award to the contractors, with no one proposal to exceed \$100,000. All contracted work will be completed by the end of 2003. Some of the proposals include research plans and development of public education materials for distribution to various stakeholder groups.

Doug informed the Committee about the Office of Pipeline Safety (OPS) Forum that was previously scheduled for November 22nd. Doug said that OPS decided that the November 22nd date was probably not the best date for interested parties because it is the Friday before Thanksgiving. OPS also had not notified people of the forum and the date was approaching. OPS decided to postpone the forum till January and WUTC will let the Committee know of that date as soon as they become aware of it. The forum will be held in the Seattle area.

9. **Field/Site Visits for 2003** - Chairman Mosher asked the Committee members if there were any pipeline companies, projects or technology that they would like to learn more about by making a site visit. Grant Jensen, Committee member with Williams Gas Pipeline noted that his company would begin directional drilling next spring under the White River. This area is in the City of Auburn and transverses a park and a neighborhood subdivision. Grant also offered to bring some sample cutouts of pipelines so the Committee members could see dents and corrosion to the pipe. The Committee members showed interest in having an internal inspection device (“Smart Pig”) presentation at a meeting or possible a presentation of hydrostatic testing information.

A site visit to an electrical power generator was suggested because it was noted that these generators would be the driving force behind pipelines in the future. Possibly visiting the power generator station in Lewis County.

10. **Location and Date of Next Meeting** – The Committee decided that the next Committee meeting would be held in Olympia on Tuesday January 21st. The exact location of the meeting will be announced.

The meeting adjourned at 3:15 p.m. on November 13, 2002.

What is Integrity Management and how does it differ from historic pipeline safety regulations?

The federal Office of Pipeline Safety (OPS) has traditionally carried out its oversight responsibility by establishing minimum standards in its regulations and enforcing them uniformly across pipelines.¹ However, this uniform regulatory approach does not account for differences in the risks faced by individual pipelines. For example, pipelines located in the Pacific Northwest states are susceptible to damage from geologic hazards, such as landslides, but OPS's uniform, minimum regulations do not address this risk.

Recognizing that pipeline operators face different risks depending on such factors as location and the products they carry, OPS began exploring the concept of a risk-based approach to pipeline safety in the mid-1990s. In 1996, the Accountable Pipeline Safety and Partnership Act included provisions for DOT to establish a demonstration program to test a risk-based approach. As a result, OPS established the Risk Management Demonstration Program, which went beyond the agency's traditional regulatory approach by allowing individual companies to identify and focus on the unique risks to their pipelines. Partly based on OPS's experience with the demonstration program, the agency moved forward with a new regulatory approach—termed *Integrity Management*—to supplement uniform, minimum regulations. In a May 2000 report, the General Accounting Office (GAO) recognized the potential benefits of a risk-based approach to pipeline safety; however, they expressed concern that OPS did not have performance measures in place to demonstrate the effectiveness of the Risk Management Demonstration Program or the resulting integrity management approach.²

The integrity management approach requires individual pipeline operators to develop programs to systematically identify and address risks to the segments of their pipelines that could affect “high consequence areas” where a leak or rupture would have the greatest impact, including highly populated or environmentally sensitive areas.³ OPS designed the integrity management approach to achieve greater safety by allowing individual operators flexibility in tailoring their programs to the characteristics of their pipelines. This flexibility is reflected in performance-based requirements, which allow operators to determine the most appropriate processes and technologies to use in their integrity management programs, subject to OPS's review. For example, operators may use a variety of techniques for assessing pipeline integrity and analyzing these results and other available information about the conditions of their pipelines. In addition, OPS's integrity management program requirements include prescribed elements that provide some consistency among integrity management programs. For example, OPS requires all hazardous liquid pipeline operators to conduct a baseline assessment of the integrity of all pipeline segments that could affect high consequence areas, periodically reassess the integrity of these pipeline segments, take prompt action to address any anomalies found during the assessments that threaten the integrity of the pipeline, and develop measures of the program's effectiveness. After September 11, 2001, OPS advised pipeline operators also to consider potential terrorist threats to their pipelines in their assessments of pipeline integrity.⁴

¹ See 49 CFR Parts 190 through 199.

² US General Accounting Office, *Pipeline Safety: The Office of Pipeline Safety Is Changing How It Oversees the Pipeline Industry*, GAO/RCED-00-128 (Washington, D.C.: May 15, 2000).

³ For hazardous liquid pipelines, a “high consequence area” is defined as a population area, and area unusually sensitive to environmental damage, or a commercially navigable waterway. See 49 CFR 195.450. For natural gas transmission pipelines, OPS has developed a definition that focuses on populated or frequented areas. See 67 Fed. Reg. 1108, 1114 (Jan. 9, 2002).

⁴ See Fed. Reg. 2136, 2137 (Jan. 16, 2002).